

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2025

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SENATE BILL DRS45347-NBf-139B

Short Title: DPS Agency Changes.-AB (Public)

Sponsors: Senators Daniel, Britt, and B. Newton (Primary Sponsors).

Referred to:

1 A BILL TO BE ENTITLED
2 AN ACT TO MODERNIZE THE ALARMS SYSTEMS LICENSING ACT, MAKE VARIOUS
3 CHANGES TO THE PRIVATE PROTECTIVE SERVICES BOARD LAWS,
4 STRENGTHEN THE OVERSIGHT AUTHORITY OF THE ABC COMMISSION,
5 REQUIRE SENATE CONFIRMATION FOR THE ADJUTANT GENERAL OF THE
6 NORTH CAROLINA NATIONAL GUARD, AND TO MODIFY PROVISIONS
7 REGARDING SUMMARY COURTS-MARTIAL AND THE APPOINTMENT AND
8 SERVICE OF MILITARY JUDGES OF THE NORTH CAROLINA NATIONAL GUARD.
9 The General Assembly of North Carolina enacts:

10
11 PART I. ALARMS SYSTEMS LICENSING ACT MODERNIZATION

12 SECTION 1.(a) Chapter 74D of the General Statutes reads as rewritten:

13 "Chapter 74D.

14 "~~Alarm~~ Security Systems.

15 "Article 1.

16 "~~Alarm~~ Security Systems Licensing Act.

17 "§ 74D-1. Title.

18 This act may be cited as the "~~Alarm~~ Security Systems Licensing Act."

19 "§ 74D-2. ~~License~~ Business and qualifying agent license requirements.

20 (a) License Required. – No person, firm, association, corporation, or department or
21 division of a firm, association or corporation, shall engage in or hold itself out as engaging in ~~an~~
22 ~~alarm~~ a security systems business without first being licensed in accordance with this Chapter.
23 A department or division of a firm, association, or corporation may be separately licensed under
24 this Chapter if the distinct department or division, as opposed to the firm, association, or
25 corporation as a whole, engages in ~~an alarm~~ a security systems business. The department or
26 division shall ensure strict confidentiality of private security information, and the private security
27 information of the department or division must, at a minimum, be physically separated from other
28 premises of the firm, association, or corporation. For purposes of this Chapter ~~an "alarm~~ a
29 "security systems business" is defined as any person, firm, association or corporation that does
30 any of the following:

31 (1) ~~Sells~~ Unless otherwise exempt, sells or attempts to sell ~~an alarm~~ a security
32 system ~~device~~ by engaging in ~~a~~ any personal solicitation ~~at a residence or~~
33 ~~business~~ to advise, design, or consult on specific types and specific locations
34 of ~~alarm~~ security system devices.

35 (2) ~~Installs~~ Unless otherwise exempt, installs, services, monitors, or responds to
36 electrical, wireless or hardwired electronic or mechanical alarm signal



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~~devices, devices and security systems, integrated automation of a residence or business that includes a security element, burglar alarms, monitored access control, or cameras—cameras, analytic capturing devices, systems providing intelligence or other imaging devices used to detect or observe burglary, breaking or entering, intrusion, shoplifting, pilferage, theft, or other unauthorized or illegal activity. This provision shall not apply to a locking device that records entry and exit data and does not transmit the data in real time to an on-site or off-site monitoring location, provided the installer is duly licensed by the North Carolina Locksmith Licensing Board.~~

...

(c) Qualifying Agent. – A business entity that ~~engages in the alarm systems business~~ is required to be licensed under this Chapter is subject to all of the requirements listed in this subsection with respect to a qualifying agent. For purposes of this Chapter, a "qualifying agent" is an individual who is a full-time employee in a management position who is licensed under this Chapter and whose name and address have been registered with the Board. The requirements are:

(1) The business entity shall employ a designated qualifying agent who meets the requirements for a license issued under and who is, in fact, licensed under the provisions of this Chapter, unless otherwise approved by the Board. Service upon the qualifying agent appointed by the business entity of any process, notice or demand required by or permitted by law to be served upon the business entity by the ~~Alarm Security~~ Systems Licensing Board shall be binding upon the licensed business entity. Nothing herein contained shall limit or affect the right to serve any process, notice or demand required or permitted by law to be served upon a business entity in any other manner or hereafter permitted by law.

...

(3) In the event that the qualifying agent upon whom the business entity relies in order to do business ceases to perform his duties as qualifying agent, the business entity shall notify the board in writing by letter or using the Board's online form within 10 working days. The business entity must obtain a substitute qualifying agent within 90 days after the original qualifying agent ceases to serve as qualifying agent. The Director, in his or her discretion, may extend the 90-day period for good cause by an additional 30 days upon a written request of an officer of the company.

(4) The license certificate shall list the name of the qualifying agent. No licensee person shall serve as the qualifying agent for more than one business entity without the prior approval of the Board.

...

(6) The qualifying agent shall be responsible for maintaining a current address and other contact information with the Board.

(d) ~~Criminal Record Check.~~ Minimum Qualifications for Security Systems License. – An applicant ~~must for qualifying agent~~ shall meet all of the following requirements and ~~qualifications determined by a background investigation conducted by the Board in accordance with G.S. 74D-2.1 and upon receipt of an application:~~ qualifications:

(1) The applicant is at least 18 years of age.

(2) The applicant is of good moral character and temperate habits. The following shall be prima facie evidence that the applicant does not have good moral character or temperate habits: conviction by any local, State, federal, or military court of any crime involving the illegal use, carrying, or possession of a firearm; conviction of any crime involving the illegal use, possession, sale, manufacture, distribution or transportation of a controlled substance,

1 drug, narcotic, or alcoholic beverages; conviction of a crime involving
2 felonious assault or an act of violence; conviction of a crime involving
3 unlawful breaking or entering, burglary, larceny, or of any offense involving
4 moral turpitude; or a history of addiction to alcohol or a narcotic drug;
5 provided that, for purposes of this subsection, "conviction" means and
6 includes the entry of a plea of guilty, plea of no contest, or a verdict rendered
7 in open court by a judge or ~~jury-jury~~, including a prayer for judgment
8 continued, adjudication withheld, or equivalent.

9 (3) The applicant has the necessary training, qualifications and experience to be
10 ~~licensed~~, licensed, or the applicant has successfully completed or kept current
11 a Certified Alarm Technician Level I course offered by the Electronic Security
12 Association or equivalent course approved by the Board.

13 (e) ~~Examination.—The Board may require the applicant to demonstrate the applicant's~~
14 ~~qualifications by examination.~~

15 ...

16 (g) An alarm monitoring company located in another state and licensed by that state
17 which demonstrates to the Board's satisfaction that it does not conduct any business through a
18 personal representative present in this State, but which solicits and conducts business solely
19 through interstate communication facilities, such as telephone, the internet, and the United States
20 Postal Service, upon receipt by the Board of a certificate of good standing from the state of
21 licensure is not required to register employees pursuant to G.S. 74D-8. Out-of-state monitoring
22 companies not licensed in any state must be licensed by the Board and must register employees
23 pursuant to G.S. 74D-8.

24 (h) A security guard and patrol company licensed under Chapter 74C of the General
25 Statutes that remotely monitors access control, cameras, analytic capturing devices, systems
26 providing intelligence, or other imaging devices shall obtain a separate limited monitoring license
27 and may utilize the same qualifying agent for the limited license as utilized for its security guard
28 and patrol license and shall not be required to meet the requirements of G.S. 74D-2(d)(3) and (4)
29 or hold a low voltage electrical license. The qualifying agent must successfully complete a central
30 station monitoring operator course approved by the Board.

31 **"§ 74D-2.1. Criminal background checks.**

32 (a) Authorization. – Upon receipt of an application for a license or registration, the Board
33 shall conduct a background investigation to determine whether the applicant meets the
34 requirements for a license or registration as set out in G.S. 74D-2(d). ~~The Department State~~
35 ~~Bureau of Public Safety Investigation~~ may provide a criminal record check to the Board for a
36 person who has applied for a new or renewal license or registration through the Board. The Board
37 shall provide to the ~~Department of Public Safety, State Bureau of Investigation~~, along with the
38 request, the fingerprints of a new applicant, and the ~~Department of Public Safety State Bureau of~~
39 ~~Investigation~~ shall provide a criminal record check based upon the applicant's fingerprints. The
40 Board may request a criminal record check from the ~~Department of Public Safety State Bureau~~
41 ~~of Investigation~~ for a renewal applicant based upon the applicant's fingerprints in accordance
42 with policy adopted by the Board. The Board shall provide any additional information required
43 by the ~~Department of Public Safety State Bureau of Investigation~~ and a form signed by the
44 applicant consenting to the check of the criminal record and to the use of the fingerprints and
45 other identifying information required by the State or national repositories. The applicant's
46 fingerprints shall be forwarded to the State Bureau of Investigation for a search of the State's
47 criminal history record file, and the State Bureau of Investigation shall forward a set of the
48 fingerprints to the Federal Bureau of Investigation for a national criminal history check. The
49 ~~Department of Public Safety State Bureau of Investigation~~ may charge each applicant a fee to be
50 collected by the Board and transmitted to the State Bureau of Investigation for conducting the
51 checks of criminal history records authorized by this subsection.

1 The Board may require a new or renewal applicant to obtain a criminal record report from
2 one or more reporting services designated by the Board to provide criminal record reports.
3 Applicants are required to pay the designated reporting service for the cost of these reports.

4 (b) Confidentiality. – ~~The~~ Except as necessary to support the denial of an application or
5 a disciplinary matter in a contested case, the Board shall keep all information obtained pursuant
6 to this section confidential in accordance with applicable State law and federal guidelines, and
7 the information shall not be a public record under Chapter 132 of the General Statutes.

8 **"§ 74D-3. Exemptions.**

9 The provisions of this Chapter shall not apply ~~to~~ to the following:

- 10 (1) A person, firm, association or corporation that sells or manufactures ~~alarm~~
11 security systems, unless the person, firm, association or corporation makes
12 personal solicitations at a residence or business to advise, design, or consult
13 on specific types and specific locations of ~~alarm-security~~ system devices,
14 installs, services, monitors, or responds to ~~alarm-security~~ systems at or from a
15 protected premises or a premises to be protected and thereby obtains
16 knowledge of specific application or location of the ~~alarm-security~~ system. ~~A~~
17 ~~person licensed under this Chapter may hire a consultant to troubleshoot a~~
18 ~~location or installation for a period of time not to exceed 48 hours in a~~
19 ~~one-month period if the licensee submits a report to the Board within 30 days~~
20 ~~from the date of the consultation designating the consultant as a temporary~~
21 ~~consultant;~~
22 (2) Installation, servicing or responding to fire alarm systems or any alarm device
23 which is installed in a motor vehicle, aircraft or ~~boat; boat.~~
24 (3) Installation or service of an alarm-electronic security system on property
25 owned by or leased to the ~~installer; installer.~~
26 (4) ~~An alarm monitoring company located in another state which demonstrates to~~
27 ~~the Board's satisfaction that it does not conduct any business through a~~
28 ~~personal representative present in this State but which solicits and conducts~~
29 ~~business solely through interstate communication facilities such as telephone~~
30 ~~messages, earth-satellite relay stations and the United States postal service;~~
31 ~~and~~
32 (5) ~~A person or business providing alarm systems services to a State agency or~~
33 ~~local government if that person or business has been providing those services~~
34 ~~to the State agency or local government for more than five years prior to the~~
35 ~~effective date of this Chapter, and the State agency or local government joins~~
36 ~~with the person or business in requesting the application of this exemption.~~
37 (6) Installation or service of a locking device that records entry and exit data and
38 does not transmit the data in real time to an on-site or off-site monitoring
39 location, provided the installer is licensed by the North Carolina Locksmith
40 Licensing Board.
41 (7) An entity through which a customer accesses marketing or advertising
42 material or installation instructions for a security system.

43 (b) A person licensed under this Chapter may utilize a consultant or manufacturer's
44 representative to troubleshoot a location or installation if accompanied by the licensee and the
45 licensee submits a report to the Board within 30 days from the date of the consultation designating
46 the consultant as a temporary consultant.

47 **"§ 74D-4. Alarm-Security Systems Licensing Board.**

48 (a) The ~~Alarm-Security~~ Systems Licensing Board is hereby established.

49 (b) The Board shall consist of seven members: the Secretary of Public Safety or his or
50 her designee; two persons appointed by the Governor, one of whom shall be licensed under this
51 Chapter and one of whom shall be a public member; two persons appointed by the General

Assembly upon the recommendation of the President Pro Tempore of the Senate in accordance with G.S. 120-121, one of whom shall be licensed under this Chapter and one of whom shall be a public member; and two persons appointed by the General Assembly upon the recommendation of the Speaker of the House of Representatives in accordance with G.S. 120-121, one of whom shall be licensed under this Chapter and one of whom shall be a public member.

(c) Each member shall be appointed for a term of three years and shall serve until a successor is installed. ~~No~~ With the exception of the Secretary or his or her designee, no member shall serve more than two complete three-year consecutive terms. The term of each member, other than the Attorney General or his designee, who is serving on August 7, 1989, shall terminate on June 30, 1989. Of the appointments made by the General Assembly upon the recommendation of the President of the Senate to begin on July 1, 1989, one member shall be for a term of one year and one member shall be for a term of three years. Of the appointments made by the General Assembly upon the recommendation of the Speaker of the House of Representatives, one member shall be appointed for a term of two years and one member shall be appointed for a term of three years. Thereafter all terms shall be for three years.

...

(e) Board members who are also State officers or employees shall receive no per diem compensation for serving on the Board, and shall only receive the travel allowances set forth in G.S. 138-6. All other Board members shall receive reimbursement in accordance with G.S. 93B-5(b) and, notwithstanding G.S. 93B-5(a), shall receive as compensation for their services per diem not to exceed one hundred dollars (\$100.00) for each day during which they are engaged in the official business of the Board. The Board shall set the travel allowance and per diem compensation of Board members who are not also State officers or employees.

(f) The Board shall elect a ~~chairman-chair~~ and a ~~vice-chairman-vice-chair~~ from its membership by majority vote at the first meeting of its fiscal year. The ~~vice-chairman-vice-chair~~ shall serve as ~~chairman-chair~~ of the screening committee and shall also serve as ~~chairman-chair~~ in the ~~chairman's-chair's~~ absence. At no time shall both the positions of ~~chairman-chair~~ and ~~vice-chairman-vice-chair~~ be held by either an industry representative or a nonindustry representative.

(g) The Board shall meet at the call of the ~~chairman-chair~~ or a majority of the members of the Board. The Board shall adopt rules governing the call and conduct of its meetings. A majority of the current Board membership constitutes a quorum.

"§ 74D-5. Powers of the Board.

(a) In addition to the powers conferred upon the Board elsewhere in this Chapter, the Board shall have the power ~~to do the following:~~

- (1) Promulgate rules necessary to carry out and administer the provisions of this Chapter including the authority to require the submission of reports and information by licensees under this ~~Chapter;Chapter.~~
- (2) Determine minimum qualifications and establish minimum education, experience, and training standards for ~~applicants and licensees-applicants, licensees, and registrants~~ under this ~~Chapter;Chapter.~~
- (3) Conduct investigations regarding alleged violations and make evaluations as may be necessary to determine if unlicensed individuals or entities are in violation of this Chapter and licensees and registrants under this Chapter are complying with the provisions of this ~~Chapter;Chapter.~~ The Board shall issue cease and desist orders, in writing, for violations of this Chapter with the concurrence of the Secretary of Public Safety.
- (4) Adopt and amend bylaws, consistent with law, for its internal management and ~~control;control.~~
- (5) Investigate and approve individual applicants to be licensed or registered according to this Chapter;Chapter.

(6) Deny, suspend, or revoke any license issued or to be issued under this Chapter to any ~~applicant or licensee~~ applicant, licensee, or registrant who fails to satisfy the requirements of this Chapter or the rules established by the Board. The denial, suspension, or revocation of such license or registration shall be in accordance with Chapter 150B of this General Statutes of North ~~Carolina; Carolina.~~

(7) Issue subpoenas to compel the attendance of witnesses and the production of pertinent books, accounts, records, and documents. The district court shall have the power to impose punishment pursuant to G.S. 5A-21 et seq. for acts occurring in matters pending before the Board which would constitute civil contempt if the acts occurred in an action pending in ~~court; and court.~~

(8) Contract for services as necessary to carry out the functions of the Board.

(9) Acquire, hold, rent, encumber, alienate, and otherwise deal with real property in the same manner as a private person or corporation, subject only to approval of the Governor and the Council of State. Collateral pledged by the Board for an encumbrance is limited to the assets, income, and revenues of the Board.

(b) The ~~chairman~~ chair of the Board or his or her representative designated to be a hearing officer may conduct any hearing called by the ~~board~~ Board for the purpose of denial, suspension, or revocation of a license or registration under this Chapter.

(c) The regulation of security system businesses shall be exclusive to the Board; however, any city or county shall be permitted to require a security business operating within its jurisdiction to register and to supply information regarding its license and may adopt an ordinance to require users of electronic security systems to obtain revocable permits when alarm usage involves automatic signal transmission to a law enforcement agency.

"§ 74D-5.1. Position of Director created.

The position of Director of the ~~Alarm-Security~~ Systems Licensing Board is hereby created within the Department of Public Safety. The Secretary of Public Safety shall appoint a person to fill this full-time position. The Director's duties shall be to administer the directives contained in this Chapter and the rules ~~promulgated~~ adopted by the Board to implement this Chapter and to carry out the administrative duties incident to the functioning of the Board in order to actively police the ~~alarm systems~~ security systems industry to ~~insure~~ ensure compliance with the law in all aspects. The Director may issue a temporary grant or denial of a request for registration subject to final action by the Board at its next regularly scheduled meeting.

"§ 74D-5.2. Investigative powers of the Secretary of Public Safety.

The Secretary of Public Safety shall have the power to investigate or cause to be investigated any complaints, allegations, or suspicions of wrongdoing or violations of this Chapter involving individuals unlicensed, licensed, or to be licensed, under this Chapter. Any investigation conducted pursuant to this section is deemed confidential and is not subject to review under G.S. 132-1 until the investigation is complete and a report is presented to the Board. However, the report may be released to the licensee after the investigation is complete but before the report is presented to the Board.

"§ 74D-6. Denial of a license or registration.

Upon a ~~finding that the applicant meets the requirements for licensure or receipt of an application for licensure or registration under this Chapter, G.S. 74D-8,~~ the Board shall determine whether the applicant shall receive the license or registration applied for. The grounds for denial ~~include; include all of the following:~~

(1) Commission of some act which, if committed by a registrant or licensee, would be grounds for the suspension or revocation of a registration or license under this ~~Chapter; Chapter.~~

(2) Conviction of a crime involving ~~fraud;~~ the illegal use, carrying, or possession of a firearm, felonious assault or an act of violence, felonious sexual offense,

felonious larceny, or felonious fraud. For purposes of this subdivision, "conviction" means and includes the entry of a plea of guilty, plea of no contest, or a verdict entered in open court by a judge or jury, including a prayer for judgment continued, adjudication withheld, or equivalent.

(3) Lack of good moral character or temperate habits. The following misdemeanor convictions shall be prima facie evidence that the applicant does not have good moral character or temperate habits: conviction by any local, State, federal, or military court of any crime involving the illegal use, carrying, or possession of a firearm; conviction of any crime involving the illegal use, possession, sale, manufacture, distribution, or transportation of a controlled substance, drug, narcotic, or alcoholic beverages; conviction of a crime involving ~~felonious~~ assault or an act of violence; conviction of a crime involving unlawful breaking or entering, burglary or ~~larceny or of any offense involving moral turpitude~~; larceny; conviction of a crime involving a sexual offense; or a history of addiction to alcohol or a narcotic drug; provided that, for purposes of this ~~subsection-subdivision~~, "conviction" means and includes the entry of a plea of guilty, plea of no contest, or a verdict rendered in open court by a judge or ~~jury~~; jury, including a prayer for judgment continued, adjudication withheld, or equivalent.

(4) Previous denial under this Chapter or previous revocation for ~~cause~~; cause.

(5) Knowingly making any false statement or misrepresentation in an application made to the Board for a license or registration.

(6) Being a registered sex offender in this State or any other state.

"§ 74D-7. Form of license; term; assignability; renewal; posting; branch offices; fees.

...

(c) No licensee shall engage in any business regulated by this Chapter under a name other than the ~~licensee~~-licensee's name or names which appear on the certificate issued by the Board.

(d) Any branch office of ~~an alarm~~ in this State with a security systems business shall obtain a branch office certificate. A separate certificate stating the location and licensed qualifying agent shall be posted at all times in a conspicuous place in each branch office. Every business covered under the provisions of this Chapter shall file in writing with the Board the addresses of each of its branch ~~offices~~-offices in this State. All licensees ~~of~~-with a branch office shall notify the Board in writing before the establishment, closing, or changing of the location of any branch office. ~~A licensed qualifying agent may be responsible for more than one branch office of an alarm systems business with the prior approval of the Board.~~ office in this State. Temporary approval may be granted by the Director, upon application of the qualifying agent, for a period of time not to exceed ~~10 working~~ 45 days after the adjournment of the next regularly scheduled meeting of the Board unless the Board determines that the application should be denied.

(e) The Board may charge the following fees, which must be expended, under the direction of the Board, to defray the expense of administering this Chapter:

(1) A nonrefundable initial license application fee in an amount not to exceed ~~one hundred fifty dollars (\$150.00)~~-five hundred dollars (\$500.00).

(2) A new or renewal license fee in an amount not to exceed ~~five hundred dollars (\$500.00)~~-one thousand dollars (\$1,000.00).

(3) A late license renewal fee to be paid in addition to the renewal fee due in an amount not to exceed ~~one hundred dollars (\$100.00)~~-five hundred dollars (\$500.00) if the license has not been renewed on or before the expiration date of the license.

- (4) A new or renewal registration fee in an amount not to exceed ~~fifty dollars (\$50.00)~~ one hundred dollars (\$100.00) plus any fees charged to the board for background checks by the State Bureau of Investigation.
- (5) A fee for reregistration of an employee who changes employment to another licensee, not to exceed ~~ten dollars (\$10.00)~~ twenty-five dollars (\$25.00).
- (6) A branch office certificate fee not to exceed ~~one hundred fifty dollars (\$150.00)~~ three hundred dollars (\$300.00).
- (7) ~~A fee not to exceed fifty dollars (\$50.00) for each reconsideration of a license or registration permit that has been filed or returned to the applicant for correctable errors.~~
- (8) A late registration fee, to be paid in addition to the registration renewal fee, not to exceed ~~twenty dollars (\$20.00)~~ forty dollars (\$40.00) for an application submitted no more than 30 days after the expiration of the registration permit. A registration application submitted more than 30 days after the registration has expired shall be registered as a new applicant.

"§ 74D-8. Registration of persons employed.

- (a) (1) A licensee of ~~an alarm-a security~~ systems business shall register with the Board within 30 days after the employment begins, all of the ~~following licensee's employees described in subdivision (1a) of this subsection~~ that are within the State, unless in the discretion of the Director, the time period is extended for good ~~cause~~ cause.

(1a) The following employees shall be registered with the Board:

- a. Any employee that has access to ~~confidential-any~~ information detailing the design, installation, or application of any ~~location-specific electronic-security system or that~~ has access to any code, number, or program that would allow the system to be modified, altered, or circumvented.
- b. Any employee who conducts personal sales in a private residence or who installs or services an electronic-a security system in a commercial business establishment or a personal residence.
- c. Any employee who remotely monitors a security system, including cameras, unless the employee is registered as a security guard with a licensed security guard and patrol company under Chapter 74C of the General Statutes.

Employees engaged only in sales or marketing that does not involve any of the above are not required to be registered.

- ~~(1a)~~(1b) To register an employee, a licensee shall submit to the Board as to the employee: set(s) of classifiable fingerprints on standard F.B.I. applicant cards; recent color photograph(s) of acceptable quality for identification; and statements of any criminal records as deemed appropriate by the Board.
- (2) Except during the period allowed for registration in subdivision (a)(1) of this section, no ~~alarm-security~~ systems business may employ any employee required to be registered by this Chapter unless the employee's registration has been approved by the Board as set forth in this section.
- (3) A licensee may employ an applicant for registration as a probationary employee for 20 consecutive days. Upon completion of the probationary period and the desire of the licensee to hire the registration applicant as a regular employee, the licensee shall register the employee, as described in this subsection, with the Board within 30 days after the probationary employment period ends unless the Director, in the Director's discretion, extends the time period for good cause. Before a probationary employee engages in systems

services, the employee shall complete any training requirements and the licensee shall conduct a criminal record check on the employee, as the Board deems appropriate. The licensee shall submit a list of the probationary employees to the Director on a monthly basis. The list shall include the name, address, social security number, and dates of employment of the employees.

"§ 74D-8.1. Apprenticeship registration permit.

(a) The Board may issue an apprenticeship registration permit to an applicant who is 16 or 17 years old ~~and currently enrolled in high school if the applicant holds a valid drivers license and submits at least three letters of recommendation stating that the applicant is of good moral character as provided in G.S. 74D-2(d)(2). The letters of recommendation shall be from persons who are not related to the individual, and at least one of the letters shall be from an official at the school where the applicant is currently enrolled applicant.~~

"§ 74D-9. Certificate of liability insurance required; form and approval; suspension for noncompliance.

(d) No license shall be issued under this act unless the applicant files with the Board evidence of a policy of liability insurance which policy must provide for the following minimum coverage: fifty two hundred fifty thousand dollars (\$50,000)-(\$250,000) because of bodily injury or death of one person as a result of the negligent act or acts of the principal insured or his agents operating in the course and scope of his employment; subject to said limit for one person, ~~one~~ five hundred thousand dollars (\$100,000)-(\$500,000) because of bodily injury or death of two or more persons as the result of the negligent act or acts of the principal insured or his agent operating in the course and scope of his or her agency; ~~twenty one hundred thousand dollars (\$20,000)-(\$100,000)~~ because of injury to or destruction of property of others as the result of the negligent act or acts of the principal insured or his agents operating in the course and scope of his or her agency.

"§ 74D-10. Suspension or revocation of licenses and registrations; appeal.

(a) The Board may, after notice and an opportunity for hearing, suspend or revoke a license or registration issued under this Chapter if it is determined that the licensee or registrant has:

- (3) Violated any rule ~~promulgated~~ adopted by the Board pursuant to the authority contained in this Chapter.
- (4) Been convicted of any ~~crime involving moral turpitude or any other crime involving violence or the illegal use, carrying, or possession of a dangerous weapon, felony as set forth in G.S. 74D-6(2) or any crime as set forth in G.S. 74D-6(3).~~
- (7) Engaged in or permitted any employee to engage in any ~~alarm security~~ systems business when not lawfully in possession of a valid ~~license~~ registration issued under the provisions of this Chapter.
- (8) Committed an unlawful breaking or entering, burglary, larceny, sexual offense, trespass, fraud, assault, battery, or kidnapping.
- (9) Committed any other act which is a ground for the denial of an application for a license or registration under this Chapter.
- (10) Failed to maintain the certificate of liability insurance required by this Chapter.

(15) Engaged in the ~~alarm~~-security systems profession under a name other than the name under which the license was obtained under the provisions of this Chapter.

...

(19) Engaged in conduct that constitutes dereliction of duty or otherwise deceives, defrauds, or harms the public in the course of professional activities or ~~services-services~~, including fraudulently claiming a change in business ownership, fraudulently claiming dissolution of a competing business, fraudulently claiming to be a representative of the consumer's current service provider, misrepresentation of employer, or misrepresenting an upgrade of equipment as a sales tactic.

(20) Demonstrated a lack of financial responsibility.

...

"§ 74D-11. Enforcement.

...

(b) Any person, firm, association, corporation, or department or division of a firm, association or corporation, or their agents and employees violating any of the provisions of this Chapter or knowingly violating any rule promulgated to implement this Chapter shall be guilty of a Class 1 misdemeanor. The Attorney General, or his or her representative, shall have concurrent jurisdiction with the district attorneys of this State to prosecute violations of this Chapter.

~~(c) The regulation of alarm systems businesses shall be exclusive to the Board; however, any city or county shall be permitted to require an alarm systems business operating within its jurisdiction to register and to supply information regarding its license, and may adopt an ordinance to require users of alarm systems to obtain revocable permits when alarm usage involves automatic signal transmission to a law enforcement agency.~~

(d) In lieu of revocation of suspension of a license or registration under G.S. 74D-10, a civil penalty of not more than two thousand dollars (\$2,000) per violation may be assessed by the Board against any person that violates any provision of this Chapter or any rule of the Board adopted pursuant to this Chapter. In determining the amount of any penalty, the Board shall consider the degree and extent of harm caused by the violation. The clear proceeds of all penalties collected under this section shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2.

(e) Proceedings for the assessment of civil penalties shall be governed by Chapter 150B of the General Statutes. If the person assessed a penalty fails to pay the penalty to the Board, the Board may institute an action in the superior court of the county in which the person resides or has his or her principal place of business to recover the unpaid amount of the penalty. An action to recover a civil penalty under this section shall not relieve any party from any other penalty prescribed by law.

(f) The sale, installation, or service of ~~an alarm~~-a security system by an unlicensed or unregistered person shall constitute a threat to the public safety, and any contract for the sale, installation, or service of ~~an alarm~~-a security system shall be deemed void and unenforceable.

...

~~"§ 74D-13. Transfer of funds.~~

~~All fees collected pursuant to Chapter 74C of the General Statutes from alarm systems businesses which have not been expended upon January 1, 1984, shall be transferred to the Board by the Private Protective Services Board for the purpose of defraying the expenses of administering this act.~~

"§ 74D-14. Proof of licensure to maintain or commence action.

~~An alarm~~-A security systems business may not maintain any action in any court of the State for the collection of compensation for performing an act for which a license or registration is

required by this Chapter without alleging and proving that the ~~alarm-security~~ systems business is appropriately licensed and the employee or agent of the ~~alarm-security~~ systems business is appropriately registered upon entering into a contract with the consumer. ~~An alarm-A security~~ systems installation, maintenance, or monitoring contract entered into with a consumer shall be void if the consumer confirms through records maintained by the Board that the ~~alarm-security~~ systems business is not properly licensed or the consumer establishes through records maintained by the Board that the person enticing the consumer to enter into the contract is not properly registered by the Board. The sale, installation, or service of an ~~alarm-A security~~ system by an unlicensed ~~entity~~ or unregistered employee shall be deemed an unfair and deceptive trade practice and shall be actionable under Chapter 75 of the General Statutes.

...."

SECTION 1.(b) Article 2 of Chapter 74D of the General Statutes reads as rewritten:

"Article 2.

"~~Alarm-Security~~ Systems Education Fund.

"§ 74D-30. ~~Alarm-Security~~ Systems Education Fund created; payment to Fund; management; use of funds.

(a) There is hereby created and established a special fund to be known as the "~~Alarm~~ Security Systems Education Fund" (hereinafter Fund) which shall be set aside and maintained in the office of the State Treasurer. The Fund shall be used in the manner provided in this Article for the education of licensees and registrants.

...

(c) In addition to the fees provided for elsewhere in this Chapter, the Board shall charge the following fees which shall be deposited into the Fund:

(1) ~~On July 1, 1985, the Board shall charge every licensee on that date a fee of fifty dollars (\$50.00);~~

(2) The Board shall charge each new applicant for a license ~~fifty dollars (\$50.00), provided that for purposes of this Article a new applicant is hereby defined as an applicant who did not possess a license on July 1, 1985; and~~ fifty dollars (\$50.00).

(3) The Board is authorized to charge each licensee an additional amount, not to exceed fifty dollars (\$50.00), on July 1 of any year in which the balance of the Fund is less than twenty-five thousand dollars (\$25,000).

(d) The State Treasurer shall invest and reinvest the moneys in the Fund in a manner provided by law. The Board in its discretion, may use the Fund for any of the following purposes:

(1) To advance education and research in the ~~alarm-security~~ systems field for the benefit of those licensed under the provisions of this Chapter and for the improvement of the ~~industry, industry.~~

(2) To underwrite educational seminars, training centers and other educational projects for the use and benefit generally of ~~licensees, and licensees.~~

(3) To sponsor, contract for and to underwrite any and all additional educational training and research projects of a similar nature having to do with the advancement of the ~~alarm-security~~ systems field in North Carolina."

SECTION 1.(c) The Alarm Systems Licensing Board may adopt rules to implement the provisions of this Part.

SECTION 1.(d) This Part becomes effective October 1, 2025.

PART II. PRIVATE PROTECTIVE SERVICES BOARD LAWS AMENDMENTS

SECTION 2.(a) G.S. 74C-2 reads as rewritten:

"§ 74C-2. Licenses required.

(a) No private person, firm, association, or corporation shall engage in, perform any services as, or in any way represent or hold itself out as engaging in a private protective services

profession or activity in this State without having first complied with the provisions of this Chapter. Compliance with the licensing requirements of this Chapter shall not relieve any person, firm, association or corporation from compliance with any other licensing law.

(b) An individual in possession of a valid private protective services license or private detective trainee permit issued prior to October 1, 1989, shall not be subject to forfeiture of such license by virtue of this Chapter. Such license shall, however, remain subject to suspension, denial, or revocation in the same manner in which all other licenses issued pursuant to this Chapter are subject to suspension, denial, or revocation.

(c) In its discretion, the Private Protective Services Board may issue a trainee permit in lieu of a private ~~investigator~~ investigator, polygraph examiner, electronic countermeasures, or digital forensic examiner license provided that the applicant works under the direct supervision of a licensee."

SECTION 2.(b) G.S. 74C-3 reads as rewritten:

"§ 74C-3. Private protective services profession defined.

(a) As used in this Chapter, the term "private protective services profession" means and includes the following:

...

(6) Security guard and patrol profession. – Any person, firm, association or corporation that provides a security guard on a contractual basis for another person, firm, association, ~~or corporation~~ corporation, or unit of government for a fee or other valuable consideration and performs one or more of the following functions:

- a. Prevention or detection of intrusion, entry, larceny, vandalism, abuse, fire or trespass on private property.
- b. Prevention, observation, or detection of any unauthorized activity on public or private property.
- c. Protection of patrons and persons lawfully authorized to be on the premises or being escorted between premises of the person, firm, association, ~~or corporation~~ corporation, or unit of government that entered into the contract for security services.
- d. Control, regulation, or direction of the flow or movement of the public, whether by vehicle or otherwise, only to the extent and for the time directly and specifically required to assure the protection of properties.

...

(7) Guard dog service profession. – Any person, firm, association or corporation which for a fee or other valuable consideration contracts with another person, firm, association, ~~or corporation~~ corporation, law enforcement agency, or unit of government to place, lease, rent, or sell a trained dog for the purpose of protecting lives or property.

...."

SECTION 2.(c) G.S. 74C-9 reads as rewritten:

"§ 74C-9. Form of license; term; renewal; posting; branch offices; not assignable; late renewal fee.

...

(e) The Board is authorized to charge reasonable application and license fees as follows:

...

(17) An application for approval of a continuing legal education course not to exceed one hundred dollars (\$100.00).

Except as provided in G.S. 74C-13(k), all fees collected pursuant to this section shall be expended, under the direction of the Board, for the purpose of defraying the expenses of administering this Chapter.

1 ...

2 (h) Trainee permits shall not be issued to applicants that qualify for a private
3 ~~detective-investigator~~ license.

4 (i) A licensed private ~~detective-investigator~~, polygraph examiner, electronic
5 countermeasures professional, or digital forensic examiner may supervise no more than five
6 trainees at any given time."

7 **SECTION 2.(d)** G.S. 74C-11 reads as rewritten:

8 "**§ 74C-11. Probationary employees and registration of regular employees; unarmed**
9 **security guard-guards and unarmed armored car guards required to have registration**
10 **card.**

11 (a) ~~All licensees~~ A security guard and patrol company or armored car company may
12 employ unarmed security guards as probationary employees for 20 consecutive calendar days.
13 Upon completion of the probationary period and the desire of the ~~licensee~~ security guard and
14 patrol company or armored car company to hire an unarmed security guard as a regular employee,
15 the ~~licensee~~ security guard and patrol company or armored car company shall register the
16 employee who will be engaged in providing private protective services covered by this Chapter
17 with the Board within 30 days after the probationary employment period ends, unless the
18 Director, in the Director's discretion, extends the time period, for good cause. Before a
19 probationary employee engages in private protective services, the employee shall complete any
20 training requirements, and the licensee shall conduct a criminal record check on the employee,
21 as the Board deems appropriate. The ~~licensee~~ security guard and patrol company or armored car
22 company shall submit a list of the probationary employees to the Director on a monthly basis.
23 The list shall include the name, address, social security number, and dates of employment of the
24 employees.

25 To register an employee after the probationary period ends, a ~~licensee~~ security guard and
26 patrol company or armored car company must give the Board the following:

- 27 (1) Set(s) of classifiable fingerprints on standard F.B.I. applicant cards; recent
28 photograph(s) of acceptable quality for identification; and
29 (2) Statements of any criminal records obtained from the appropriate authority in
30 each area where the employee has resided within the immediately 48
31 preceding months.

32 (b) A security guard and patrol company or armored car company may not employ an
33 unarmed security guard in a regular position unless the guard has a registration card issued under
34 subsection (d) of this ~~section~~ section and ~~A person engaged in a private protective services~~
35 ~~profession~~ may not employ an armed security guard unless the guard has a firearm registration
36 permit issued under G.S. 74C-13.

37 (c) The Director shall be notified in writing of the termination of any regular employee
38 registered under subsection (a) of this section within 10 days after the termination.

39 (d) An unarmed security guard shall make application to the Director for an unarmed
40 registration card which the Director shall issue to the applicant after receipt of the information
41 required to be submitted by the applicant's employer pursuant to subsection (a) of this section,
42 and after meeting any additional requirements which the Board, in its discretion, deems to be
43 necessary. The unarmed security guard registration card shall be in the form of a pocket card
44 designed by the Board, shall be issued in the name of the applicant, and may have the applicant's
45 photograph affixed to the card. The unarmed security guard registration card shall expire one
46 year after its date of issuance and shall be renewed every year. The Board may require all
47 registration holders to complete continuing education courses approved by the Board before
48 renewal of their registrations. If an unarmed registered security guard is terminated by a ~~licensee~~
49 security guard and patrol company or armored car company and changes employment to another
50 security guard and patrol ~~company~~, company or armored car company, the security guard's
51 registration card shall remain valid, provided the security guard pays the unarmed guard

1 registration transfer fee to the Board and a new unarmed ~~security~~ guard registration card is issued.
2 An unarmed ~~security~~ guard whose transfer registration application and transfer fee have been
3 sent to the Board may work with a copy of the transfer application until the registration card is
4 issued.

5 (e) Notwithstanding the provisions of this section, a ~~licensee security guard and patrol~~
6 ~~company or armored car company~~ may employ a person properly registered or licensed as an
7 unarmed ~~security~~ guard in another state for a period not to exceed 10 days in any given month;
8 provided the ~~licensee security guard and patrol company or armored car company~~, prior to
9 employing the unarmed ~~security~~ guard, submits to the Director the name, address, and social
10 security number of the unarmed guard and the name of the state of current registration or
11 licensing, and the Director approves the employment of the unarmed guard in this State.

12 (f) Repealed by Session Laws 2005-211, s. 1, effective July 20, 2005.

13 (g) Notwithstanding the provisions of this section, during a disaster declaration or state
14 of emergency declared by the Governor pursuant to Article 1A of Chapter 166A of the General
15 Statutes, a ~~licensee security guard and patrol company or armored car company~~ may employ a
16 person properly registered or licensed as an armed ~~security~~ guard in another state, provided that
17 the ~~licensee security guard and patrol company or armored car company~~ prior to deploying the
18 armed ~~security~~ guard in this State, submit to the Director all of the following:

- 19 (1) The name, address, and social security number of the armed ~~security~~ guard.
- 20 (2) The name of the state of current registration or licensing of the armed ~~security~~
21 guard.
- 22 (3) Proof of completion of the 4-hour training course mandated by
23 G.S. 74C-13(h)(1)a. and 14B NCAC 116 .0807(c)(1), administered by a North
24 Carolina certified trainer.
- 25 (4) Qualification by a firearms instructor certified by the North Carolina Private
26 Protective Services Board, based on the firearm the armed ~~security~~ guard
27 intends to carry, meeting the qualification requirements approved by the
28 Board and the Secretary of Public Safety for each firearm.

29 (h) The Director may approve the employment of the armed ~~security~~ guard in this State,
30 if the person meets all of the requirements of subsection (g) of this section. Qualification under
31 subsection (g) of this section shall be valid for a 12-month period. The duration of the deployment
32 of an armed ~~security~~ guard from another state by a ~~licensee security guard and patrol company~~
33 ~~or armored car company~~ shall not exceed the length of the disaster declaration or state of
34 emergency."

35 **SECTION 2.(e) G.S. 74C-12 reads as rewritten:**

36 **"§ 74C-12. Denial, suspension, or revocation of license, registration, or permit; duty to**
37 **report criminal arrests.**

38 (a) The Board may, after compliance with Chapter 150B of the General Statutes, deny,
39 suspend or revoke a license, certification, registration or permit issued under this Chapter if it is
40 determined that the applicant, licensee, trainee, registrant or permit holder has done any of the
41 following acts:

- 42 (1) Made any false statement or given any false information in connection with
43 any application for a license, registration, certification, ~~or permit permit, or~~
44 ~~audit~~ or for the renewal or reinstatement of a license, certification, registration
45 or permit.
- 46 ...
- 47 (9) Committed an unlawful larceny, burglary, breaking or entering, assault,
48 battery, sexual offense, kidnapping, forgery, or violated any State or federal
49 firearms law.
- 50 ...
- 51 (27) Worn, carried, or accepted any badge or shield purporting to indicate that

the person is a law enforcement officer while licensed or registered under the provisions of this Chapter ~~as a private investigator~~. Chapter.

...."

SECTION 2.(f) G.S. 74C-13 reads as rewritten:

"§ 74C-13. Armed licensee or registered employee required to have firearm registration permit; firearms training.

...

(b) It shall be unlawful for any person, firm, association, or corporation and its agents and employees to hire an armed ~~security guard~~ or an armed ~~private investigator~~ licensee and knowingly authorize or permit the armed ~~security guard~~ or armed ~~private investigator~~ licensee to carry a firearm during the course of performing his or her duties ~~as an armed security guard or an armed private investigator~~ if the Board has not issued him or her a firearm registration permit under this section, or if the person, firm, association, or corporation permits an armed ~~security guard~~ or an armed ~~private investigator~~ licensee to carry a firearm during the course of performing his or her duties whose firearm registration permit has been suspended, revoked, or has otherwise expired:

(1) A firearm registration permit grants authority to the armed ~~security guard~~ ~~or armed private investigator~~, guard or licensee, while in the performance of his or her duties or traveling directly to and from work, to carry any firearm approved by the Board and not otherwise prohibited by law. The use of any firearm not approved by the Board is prohibited.

(2) All firearms carried by authorized armed ~~security guards~~ or armed licensees in the performance of their duties shall be owned or leased by the employer. Personally owned firearms not leased to the employer shall not be carried by an armed ~~security guard~~ or armed licensee in the performance of his or her duties.

(c) The applicant for a firearm registration permit shall submit an application to the Board on a form provided by the Board.

(d) Each firearm registration permit issued under this section to an armed ~~security guard~~ shall be in the form of a pocket card designed by the Board and shall identify the contract security ~~company, company, armored car company,~~ or proprietary security organization by whom the holder of the firearm registration permit is employed. A firearm registration permit issued to an armed ~~security guard~~ expires one year after the date of its issuance and must be renewed annually unless the permit holder's employment terminates before the expiration of the permit. The Board may require all permit holders to complete continuing education courses approved by the Board before renewal of their permits.

(d1) Each firearm registration permit issued under this section to an armed ~~private investigator~~ licensee shall be in the form of a pocket card designed by the Board and shall identify the name of the armed ~~private investigator~~ licensee. While carrying a firearm and engaged in private protective services, the armed ~~private investigator~~ licensee shall carry the firearms registration permit issued by the Board, together with valid identification, and shall disclose to any law enforcement officer that the person holds a valid permit and is carrying a firearm, whether concealed or in plain view, when approached or addressed by the law enforcement officer, and shall display both the permit and the proper identification upon the request of a law enforcement officer. A ~~private investigator~~ licensee's firearm registration permit expires one year from the date of issuance and shall be renewed annually. The Board may require all permit holders to complete continuing education courses approved by the Board before renewal of their permits.

(d2) A proprietary security organization that employs an armed ~~security guard~~ shall submit an application to the Board for a license on a form, provided by the Board. A proprietary security organization shall renew its license every two years.

(e) If an armed ~~security guard~~ terminates his or her employment with the contract security ~~company~~ company, armored car company, or proprietary security organization, the firearm registration permit expires and must be returned to the Board within 15 working days of the date of termination of the employee.

(f) A contract security ~~company~~ company, armored car company, or proprietary security organization shall be allowed to employ an individual for 30 days as an armed ~~security guard~~ pending completion of the firearms training required by this Chapter, if the contract security ~~company~~ company, armored car company, or proprietary security organization obtains prior approval from the Director. The Board and the Secretary of Public Safety shall provide by rule the procedure by which an armed ~~private investigator, licensee,~~ a contract security company, armored car company, or a proprietary security organization applicant may be issued a temporary firearm registration permit by the Director of the Board pending a determination by the Board of whether to grant or deny an applicant a firearm registration permit.

(g) The Board may suspend, revoke, or deny a firearm registration permit if the holder or applicant has been convicted of any crime set forth in G.S. 74C-8(d) or for violation of this section or rules promulgated by the Board to implement this section. The Director may summarily suspend a firearm registration permit pending resolution of charges for any of the offenses set forth in G.S. 74C-12 or any crime set forth in G.S. 74C-8(d).

(h) The Board and the Secretary of Public Safety shall establish a firearms training program for licensees and registered employees to be conducted by agencies and institutions approved by the Board and the Secretary of Public Safety. The Board and the Secretary of Public Safety may approve training programs conducted by a contract security ~~company~~ company, armored car company, and the security department of a proprietary security organization, if the contract security ~~company~~ company, armored car company, or security department of a proprietary security organization offers the courses listed in subdivision (1) of this subsection and if the instructors of the training program are certified trainers approved by the Board and the Secretary of Public Safety.

(1) The basic training course approved by the Board and the Secretary of Public Safety shall consist of a minimum of four hours of classroom training which shall include all of the following:

- (a) Legal limitations on the use of firearms and on the powers and authority of an armed ~~security guard~~ guards and licensees.
- (b) Familiarity with this section.
- (c) Range firing and procedure and firearm safety and maintenance.
- (d) Any other topics of ~~armed security guard~~ firearms training curriculum which the Board deems necessary.

(2) An applicant for a firearm registration permit must fire a minimum qualifying score to be determined by the Board and the Secretary of Public Safety on any approved target course approved by the Board and the Secretary of Public Safety.

(3) A firearms registrant must complete a refresher course and shall requalify on the prescribed target course prior to the renewal of his or her firearm registration permit.

(4) The Board and the Secretary of Public Safety shall have the authority to promulgate all rules necessary to administer the provisions of this section concerning the training requirements of this section.

(i) The Board may not issue a firearm registration permit to an applicant until the applicant's employer submits evidence satisfactory to the Board that the applicant:

- (1) Has satisfactorily completed an approved training course.
- (2) Meets all the qualifications established by this section and the rules promulgated to implement this section.

(3) Is mentally and physically capable of handling a firearm within the guidelines set forth by the Board and the Secretary of Public Safety.

(j) The Board and the Secretary of Public Safety are authorized to prescribe reasonable rules to implement this section, including rules for periodic requalification with the firearm and for the maintenance of records relating to persons issued a firearm registration permit by the Board.

(k) All fees collected pursuant to G.S. 74C-9(e)(7) and (8) shall be expended, under the direction of the Board, for the purpose of defraying the expense of administering the firearms provisions of this Chapter.

(l) The Board and the Secretary of Public Safety shall establish a training program for certified trainers to be conducted by agencies and institutions approved by the Board and the Secretary of Public Safety. The Board or the Secretary of Public Safety shall have the authority to promulgate all rules necessary to administer the provisions of this subsection.

(1) The Board and the Secretary of Public Safety shall also establish renewal requirements for certified trainers. The Board may require all certified trainers to complete continuing education courses approved by the Board before renewal of their certifications.

(2) No certified firearms trainer shall certify a licensee or registrant unless the licensee or registrant has successfully completed the firearms training requirements set out above in subsection (h) of this section.

(m) The Board and the Secretary of Public Safety shall establish a training program for unarmed security guards to be conducted by agencies and institutions approved by the Board and the Secretary of Public Safety. The Board and the Secretary of Public Safety shall have the authority to promulgate all rules necessary to administer the provisions of this subsection.

(n) A ~~private investigator licensee~~ shall be permitted to carry a concealed weapon during the performance of his or her ~~duties as a private investigator~~ private protective services duties upon: (i) obtaining a concealed ~~weapon handgun~~ permit issued pursuant to G.S. 14-415.11; (ii) successfully completing the firearms training course approved by the Board and the Secretary of Public Safety; and (iii) having a notation affixed to the face of the firearms registration card designating that the armed ~~private investigator licensee~~ is allowed to carry a concealed ~~weapon handgun~~. A ~~private investigator licensee~~ who does not carry a ~~weapon handgun~~ during the course of his or her duties as a private investigator but who wishes to carry a concealed ~~weapon handgun~~ while not engaged in ~~private investigative~~ private protective service duties shall be permitted to do so upon completion of the requirements set forth in Article 54B of Chapter 14 of the General Statutes.

(o) The Board shall not knowingly issue a firearm registration permit to an individual who is prohibited by federal or State law from possessing a firearm.

(p) Notwithstanding subsection (n) of this section, a licensee who is authorized pursuant to section 926B or 926C of the United States Code to carry a concealed handgun and is in compliance with the requirements of those sections, is exempt from obtaining the permit described in G.S. 14-415.11."

SECTION 2.(g) The Private Protective Services Board may adopt rules to implement the provisions of this Part.

SECTION 2.(h) This Part becomes effective October 1, 2025.

PART III. ENHANCE BACKGROUND CHECK ABILITIES OF PRIVATE PROTECTIVE SERVICES BOARD AND ALARM SYSTEMS LICENSING BOARD

SECTION 3.(a) G.S. 14-415.12 reads as rewritten:

"§ 14-415.12. Criteria to qualify for the issuance of a permit.

(a) The sheriff shall issue a permit to an applicant if the applicant qualifies under the following criteria:

- (1) The applicant is a citizen of the United States or has been lawfully admitted for permanent residence as defined in 8 U.S.C. § 1101(a)(20), and has been a resident of the State 30 days or longer immediately preceding the filing of the application.
- (2) The applicant is 21 years of age or older.
- (3) The applicant does not suffer from a physical or mental infirmity that prevents the safe handling of a handgun.
- (4) The applicant has successfully completed an approved firearms safety and training course which involves the actual firing of handguns and instruction in the laws of this State governing the carrying of a concealed handgun and the use of deadly force. The North Carolina Criminal Justice Education and Training Standards Commission shall prepare and publish general guidelines for courses and qualifications of instructors which would satisfy the requirements of this subdivision. An approved course shall be any course which satisfies the requirements of this subdivision and is certified or sponsored by any of the following:
- a. The North Carolina Criminal Justice Education and Training Standards Commission.
 - b. The National Rifle Association.
 - b1. The United States Concealed Carry Association.
 - c. A law enforcement agency, college, private or public institution or organization, or firearms training school, taught by instructors certified by the North Carolina Criminal Justice Education and Training Standards Commission, the United States Concealed Carry Association, or the National Rifle Association.
 - d. The North Carolina Private Protective Services Board and Secretary of Public Safety pursuant to G.S. 74C-13.
- Every instructor of an approved course shall file a copy of the firearms course description, outline, and proof of certification annually, or upon modification of the course if more frequently, with the North Carolina Criminal Justice Education and Training Standards Commission."

SECTION 3.(b) G.S. 15A-151 reads as rewritten:

"§ 15A-151. Confidential agency files; exceptions to expunction.

(a) The Administrative Office of the Courts shall maintain a confidential file for expungements containing the petitions granted under this Article and the names of those people for whom it received a notice under G.S. 15A-150. The information contained in the file may be disclosed only as follows:

...

- (10) Upon request of the North Carolina Private Protective Services Board or the North Carolina Alarm Systems Licensing Board, if the criminal record was expunged under this Chapter for licensure or registration purposes only."

SECTION 3.(c) G.S. 93B-8.1 reads as rewritten:

"§ 93B-8.1. Use of criminal history records.

...

(d) This section does not apply to the North Carolina Criminal Justice Education and Training Standards Commission and Commission, the North Carolina Sheriff's Education and Training Standards Commission, Commission, and the North Carolina Private Protective Services Board, and the North Carolina Alarm Systems Licensing Board."

SECTION 3.(d) The Alarm Systems Licensing Board and the Private Protective Services Board may adopt rules to implement the provisions of this Part.

SECTION 3.(e) This Part becomes effective October 1, 2025.

PART IV. ENHANCE ABC COMMISSION OVERSIGHT AUTHORITY**SECTION 4.(a)** G.S. 18B-203 reads as rewritten:**"§ 18B-203. Powers and duties of the Commission.**

(a) Powers. – The Commission shall have authority to:

...

(23) Provide for a method for permittees and applicants to establish compliance with all local ordinances, and State and federal laws.

...."

SECTION 4.(b) This Part becomes effective October 1, 2025.**PART V. SENATE CONFIRMATION OF ADJUTANT GENERAL****SECTION 5.(a)** G.S. 127A-19 reads as rewritten:**"§ 127A-19. Adjutant General.**

(a) The military head of the militia shall be the Adjutant General who shall hold the rank of major general with federal recognition at time of appointment or attain the rank of major general pursuant to this section. The Adjutant General shall be appointed by the Governor in the Governor's capacity as commander in chief of the militia, in consultation with the Secretary of Public ~~Safety, and~~ Safety. The appointment is subject to the process in accordance with G.S. 143B-9 as if the Adjutant General was a head of a principal State department. The Adjutant General shall serve at the pleasure of the Governor. The Adjutant General, while holding this office, shall be a member of the active North Carolina National Guard. If an appointed Adjutant General does not attain the rank of major general with federal recognition within a reasonable period of time from the date of appointment, the Governor shall replace the Adjutant General with an appointee who meets the criteria in-in, and appointed in accordance with, this section. A "reasonable period of time" shall take into account time in grade requirements for promotion or promotions and administrative periods necessary to complete the promotion process.

(b) In order to be eligible for appointment as Adjutant General, a person shall be a resident of the State of North Carolina and meet all of the following requirements:

- (1) The person shall have a total of at least 10 years of commissioned service in any component or components of the Armed Forces of the United States.
- (2) The person shall have a minimum of three years commissioned service in the Army or Air National Guard within the six-year period previous to the appointment date.
- (3) The person, at the time of appointment, shall be one of the following:
 - a. A major general with federal recognition or who is eligible for federal recognition.
 - b. A brigadier general with federal recognition or who is eligible for federal recognition and who is eligible for promotion to major general with federal recognition.
 - c. A colonel with federal recognition or who is eligible for federal recognition; who is eligible for promotion and federal recognition as a brigadier general; and who is eligible for promotion to major general with federal recognition.
- (4) The person shall have completed all service school or other criteria for promotion to general officer with federal recognition.
- (5) The person shall have a minimum of 12 months in command of either (i) an Army or Air National Guard unit or (ii) a unit in any component of the Armed Forces of the United States.

(c) Subject to the approval of the Governor and in consultation with the Secretary of Public Safety, the Adjutant General may appoint:

- (1) A deputy adjutant general, who may hold the same rank as the Adjutant General.
- (2) Two assistant adjutants general for the Army National Guard and an assistant adjutant general for the Air National Guard, each of whom may hold the rank of brigadier general.

The appointees authorized by this subsection shall serve at the pleasure of the Governor. The Adjutant General may also employ staff members and other personnel as authorized by the Secretary and funded."

SECTION 5.(b) This Part is effective when it becomes law.

PART VI. MILITARY JUDGES OF THE NCNG APPOINTMENT MODIFICATIONS

SECTION 6.(a) G.S. 127A-50 reads as rewritten:

"§ 127A-50. Summary courts-martial.

(a) In the North Carolina National Guard, not in the service of the United States, summary courts-martial may be appointed by any of the following:

- (1) Any person who may convene a general or special court-martial.
- (2) The commander of a battalion, comparable or higher command of the North Carolina Army National Guard, provided that the commander is an officer of the grade of major or above.
- (3) The commander of a detached squadron, comparable or higher command of the North Carolina Air National Guard, provided that the commander is an officer of the grade of major or above.

(b) ~~The court acting under this section shall consist of one officer who shall have the power to administer oaths and try enlisted personnel of each respective command for breaches of discipline and violations of laws governing those organizations. These courts shall also have the power to impose punishments in like manner and to the extent prescribed by the Uniform Code of Military Justice and Manual for Courts-Martial, United States, as shall be in use by the Armed Forces of the United States at the time of the offense, except that no officer, the state military judge, and a judge advocate detailed to the court as a hearing officer. A summary court-martial shall have the authority to impose fines of not more than five hundred dollars (\$500.00), to impose forfeitures of two-thirds pay for one month, to restrict to limits, to impose extra duty, and to reduce the rank of enlisted persons E7 and above by up to two ranks and enlisted persons E6 and below to the rank of E1.~~

(c) No court acting under this section shall have the authority to impose confinement as part of a sentence.

(d) There shall be no right during summary courts-martial to demand trial by court-martial."

SECTION 6.(b) G.S. 127A-50.1 reads as rewritten:

"§ 127A-50.1. Military judges.

The Adjutant General shall appoint military judges to preside over courts-martial of the North Carolina National Guard not in federal service. Minimum requirements for appointment as a military judge ~~are:~~are the following:

- (1) ~~Certification as a military judge by the Judge Advocate General of the United States Army, Air Force, Navy, Marines, or Coast Guard.~~
- (2) Designation as a judge advocate by the Judge Advocate General of the United States Army, Navy, Air Force, Marines, or Coast Guard.
- (3) Membership in the North Carolina National Guard, the National Guard of another state, or the active or reserve components of the Armed Forces of the United States.
- (4) A member in good standing for at least 10 years of either of the following:
 - a. The bar of the highest court of this or any other state.

b. The bar of a federal court.

(5) Hold the rank of lieutenant colonel or above."

SECTION 6.(c) Section 6(a) of this Part is effective when it becomes law and applies to summary courts-martial initiated on or after that date. Section 6(b) of this Part is effective when it becomes law and applies to military judges serving on or after that date, except the requirements of G.S. 127A-50.1, as amended by Section 6(b) of this Part, shall only apply to appointments made on or after that date. The remainder of this Part is effective when it becomes law.

PART VII. EFFECTIVE DATE

SECTION 7. Except as otherwise provided, this act is effective when it becomes law.